

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

PURDUE PHARMA L.P., *et al.*,

Debtors.¹

Chapter 11

Case No. 19-23649

(Jointly Administered)

**TWENTIETH MONTHLY FEE STATEMENT OF GRANT THORNTON LLP FOR:
(I) ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
INCURRED FOR RETENTION AS CONSULTANTS TO DEBTORS FOR THE PERIOD
APRIL 1, 2023 TO APRIL 30, 2023; AND (II) PAYMENT OF ACCRUED BUT UNPAID
INVOICES FOR SERVICES PERFORMED IN THE ORDINARY COURSE OF
DEBTORS' BUSINESS THROUGH APRIL 30, 2023**

Name of Applicant:

Grant Thornton LLP (“Grant Thornton”)

Authorized to Provide Professional
Services to:

Debtors

Date of Retention:

April 28, 2021 (*nunc pro tunc* to January 20, 2021) for Tax Consulting Services [Docket No. 2760]; **September 28, 2021** for Employee Tax Analysis and Valuation Services (effective September 1, 2021) [Docket No. 3831]; and **October 20, 2022** for Business Advisory Services (effective September 27, 2022) [Docket No. 5188]. The foregoing retentions are for services provided to Debtors by Grant Thornton in connection with the Plan and in furtherance of the administration of Debtors’ bankruptcy cases (as further identified and defined below, the “**Plan Services**”)

¹ The Debtors in these cases, along with the last four digits of each Debtor’s registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P., Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF L.P. (0495), SVC Pharma L.P. (5717) and SVC Pharma Inc. (4014). The Debtors’ corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

Period for Which Compensation and Reimbursement is Sought (“Fee Period”):

For the Plan Services: April 1, 2023 through April 30, 2023

For OCB Tax Services (as defined below):
Accrued but unpaid invoices for services performed in the ordinary course of Debtors’ business through April 30, 2023

Amount of Compensation Sought as Actual, Reasonable and Necessary for Plan Services:

\$0.00

Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary for Plan Services:

\$2,462.30

Amount of Compensation Sought as Actual, Reasonable and Necessary for Tax Services Provided to the Debtors in the Ordinary Course of Business (as further identified and defined below, the “OCB Tax Services”):

\$57,794.50

Total Compensation (80%) and Expenses (100%) for Plan Services, Plus Total Compensation (100%) for OCB Tax Services Requested in this Twentieth MFS:

\$60,256.80

INTRODUCTION

Pursuant to sections 327, 330 and 331 of chapter 11 of title 11 of the United States Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, Rule 2016-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York, the *Order Authorizing the Retention and Employment of Grant Thornton LLP as Tax Restructuring Consultants for the Debtors Nunc Pro Tunc to January 20, 2021* [Docket No. 2760] (the “**Retention Order**”), the *Order Authorizing the Supplemental Retention and Employment of Grant Thornton LLP by the Debtors for Tax Analysis and Valuation Services Effective September 1, 2021* [Docket No. 3831] (the “**Supplemental Retention Order**”), the *Order Authorizing the Second Supplemental Retention and Employment of Grant Thornton LLP by the Debtors for Business*

Advisory Services Effective September 27, 2022 [Docket No. 5188] (the “**Second Supplemental Retention Order**”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals, dated November 21, 2019* [Docket No. 529] (the “**Interim Compensation Order**”), Grant Thornton submits this *Twentieth Monthly Fee Statement of Grant Thornton LLP for: (I) Allowance of Compensation and Reimbursement of Expenses Incurred for Retention as Consultants to Debtors for the Period April 1, 2023 to April 30, 2023; and (II) Payment of Accrued But Unpaid Invoices for Services Performed in the Ordinary Course of Debtors’ Business Through April 30, 2023* (this “**Twentieth MFS**”).

SUMMARY OF SERVICES PROVIDED AND GRANT THORNTON’S RETENTION

A. Services Provided by Grant Thornton in the Ordinary Course of the Debtors’ Business Unrelated to the Bankruptcy Case

1. Prior to September 15, 2019 (the “**Petition Date**”), the Debtors engaged Grant Thornton to provide tax-related services pursuant to the terms and conditions of that certain master agreement, dated June 1, 2018 (the “**MSA**”), and other related statements of work executed in connection therewith.

2. As previously disclosed in the Retention Order, the Debtors retained Grant Thornton after the Petition Date to continue to provide certain tax-related services to assist the Debtors in the ordinary course of their business operations (the “**OCB Tax Services**”), which work consisted of the following services:

- a. Sales and Use Tax Compliance Services: On August 11, 2020, the Debtors and Grant Thornton entered into that certain *Statement of Work for Sales and Use Tax Return Preparation Services*, pursuant to which Grant Thornton was retained to assist the Debtors with the generation of sales, use and other transactional tax returns by providing tax return compliance services. That

August 11, 2020 statement of work was subsequently replaced and superseded by that certain *Statement of Work for Sales and Use Tax Return Preparation Services*, dated March 2, 2021.

- b. 2020-2022 Tax Preparation Services: The Debtors and Grant Thornton have entered into the following statements of work for tax compliance services, pursuant to which Grant Thornton was retained to prepare the Debtors' federal and state tax returns, including extension calculations and estimated tax payments: (i) on December 7, 2020 for the 2020 taxable year (which work has been completed); (ii) on January 20, 2022 for the 2021 taxable year (which work has been completed); and (iii) on January 5, 2023 for the 2022 taxable year.
- c. Global Mobility Services: On June 18, 2020, the Debtors and Grant Thornton entered into that certain *Statement of Work for Global Mobility Services*, pursuant to which Grant Thornton was retained to provide tax compliance and consulting services for disclosures, review and execution related to United States and United Kingdom tax returns for the years 2015 through 2019. Such services included, among other things: (i) discovery of over-reporting of income; (ii) consultation on the approach to amendments; (iii) preparation of adjusted compensation figures for necessary years; (iv) preparation of tax equalization settlements for necessary years; (v) discussions on processes and filings with the Debtors and David Lundie; and (vi) assistance with responses to IRS and HMRC notices. On April 15, 2021, the Debtors and Grant Thornton entered into that certain *Statement of Work for GMS Compliance Services*,

pursuant to which Grant Thornton's engagement to provide Global Mobility Services was extended to the 2020 and 2021 tax years. On March 13, 2023, the Debtors and Grant Thornton entered into that certain *Statement of Work for GMS Compliance Services*, pursuant to which Grant Thornton's engagement to provide Global Mobility Services was extended to the 2022 and 2023 tax years.

3. Because the OCB Tax Services were being provided in the ordinary course of the Debtors' business and were unrelated to the administration of the bankruptcy cases, Grant Thornton understood that it was not necessary for it to be retained in these bankruptcy cases and that payment on account of such OCB Tax Services would be paid consistent with past practices and in the ordinary course of the Debtors' ongoing business operations. Thus, prior to approval of Grant Thornton's retention with respect to the Plan Services (as further described below), the OCB Tax Services, including the billing and payment process, were not subject to the Interim Compensation Order or other fee procedures applicable to professionals retained in these bankruptcy cases.

B. Services for Which Grant Thornton was Subsequently Retained Relating to the Debtors' Plan Confirmation Efforts and Bankruptcy Administration

4. In January 2021, the Debtors requested that Grant Thornton provide additional tax structuring services that directly related to the development of the Debtors' chapter 11 plan of reorganization in these bankruptcy cases (the "**Plan**"), including certain complicated tax related implications of the new entity ("**Newco**") anticipated to be created in the bankruptcy reorganization. As a result of this requested expansion in the scope of work being provided, on or about January 20, 2021, Grant Thornton and the Debtors entered into that certain *Statement of Work for Tax Structuring Services* (the "**Tax Structuring Plan-Related SOW**").

5. On April 13, 2021, the Debtors filed the *Application of Debtors for Authority to Retain and Employ Grant Thornton LLP as Tax Structuring Consultants to the Debtors Nunc Pro Tunc to January 20, 2021* [Docket No. 2636], and the Court entered the Retention Order on April 28, 2021.

6. In August 2021, the Debtors requested that Grant Thornton further expand the scope of its retention and provide additional services related to their Plan confirmation efforts. Specifically, the Debtors and Grant Thornton entered into the *Statement of Work for Advisory Services*, dated August 25, 2021 (the “**Valuation Services Plan-Related SOW**”), pursuant to which Grant Thornton was retained, subject to Court approval, to provide valuation advisory services to the Debtors relating to the Plan and the formation of the Newco as provided therein. The Debtors and Grant Thornton also entered into the *Statement of Work for Employment Tax Services & State Corporate Income/Franchise Tax Nexus Analysis Services*, dated August 26, 2021 (the “**Tax Analysis Plan-Related SOW**”), pursuant to which Grant Thornton was retained, subject to Court approval, to provide tax analysis for certain employment and other tax issues relating to the Plan and formation of the Newco as provided therein.

7. On September 10, 2021, the Debtors filed the *Application of Debtors for Authority to Supplement Retention and Employment of Grant Thornton LLP for Tax Analysis and Valuation Services Effective September 1, 2021* [Docket No. 3761], and the Court entered the Supplemental Retention Order on September 28, 2021.

8. In or around September 2022, the Debtors requested that Grant Thornton further expand the scope of its retention by providing certain business advisory services to the Debtors. On September 27, 2022, the Debtors and Grant Thornton entered into the following agreements (collectively, the “**BAS Agreements**”): (i) the engagement letter, including *Attachment A* –

STANDARD GRANT THORNTON LLP ENGAGEMENT TERMS attached thereto; and (ii) the *Statement of Work (SOW) for Advisory Services*. On October 4, 2022, the Debtors filed the *Application of Debtors for Authority to Supplement Retention and Employment of Grant Thornton LLP for Business Advisory Services Effective September 27, 2022* [Docket No. 5113], and the Court entered the Second Supplemental Retention Order on October 20, 2022 [Docket No. 5188].

9. Pursuant to the Retention Order, the Supplemental Retention Order and the Second Supplemental Retention Order, compensation and reimbursement for the services provided under the Tax Structuring Plan-Related SOW, the Valuation Services Plan-Related SOW, the Tax Analysis Plan-Related SOW and the BAS Agreements (collectively, the “**Plan Services**”) are subject to, and must be in compliance with, the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any other applicable procedures and orders of the Court for allowance of monthly, interim and final fee applications.

SUMMARY OF REQUESTED COMPENSATION FOR THE FEE PERIOD

10. Grant Thornton did not incur any fees on account of Plan Services during the Fee Period. Rather, by this Twentieth MFS, Grant Thornton only seeks reimbursement of expenses incurred and compensation for OCB Tax Services rendered during the Fee Period in the total amount of \$60,256.80, as follows:

- a. Reimbursement of Expenses: Reimbursement of expenses in the total amount of \$2,462.30, representing 100% of the total amount of actual, reasonable and necessary expenses incurred by Grant Thornton during the Fee Period.
- b. Compensation for OCB Tax Services: Compensation in the total amount of \$57,794.50, representing 100% of the total amount of reasonable compensation for actual, necessary OCB Tax Services that Grant Thornton has incurred

during the Fee Period. Because of Grant Thornton's retention in these bankruptcy cases by order entered April 28, 2021, out of an abundance of caution and for purposes of full disclosure, Grant Thornton is including in this Twentieth MFS the outstanding amount owed in the ordinary course of business for which payment has not yet been made relating to the OCB Tax Services.

ITEMIZATION OF SERVICES RENDERED AND DISBURSEMENTS INCURRED

11. Attached hereto as **Exhibit A** is a chart of necessary and out-of-pocket expenses incurred by Grant Thornton in the amount of \$2,462.30 in connection with being provided professional services during the Fee Period and seeking compensation for such services in these bankruptcy cases. In connection with Grant Thornton's retention in these bankruptcy cases, at the Debtors' request, Grant Thornton utilized its own outside bankruptcy counsel to assist Grant Thornton with its retention and fee approval procedures. Pursuant to the Retention Order:

"Grant Thornton's reimbursable expenses may include the reasonable and necessary actual, documented out-of-pocket costs, fees, disbursements, and other charges of Grant Thornton's external legal counsel (without the need for such legal counsel to be retained as a professional in the chapter 11 cases); provided, that, if Grant Thornton seeks reimbursement from the Debtors for attorneys' fees and expenses pursuant to the Engagement Agreement, the invoices and supporting time records for the attorneys' fees and expenses shall be included in Grant Thornton's own applications, both interim and final, and these invoices and time records shall be subject to the approval of the *[sic]* Court pursuant to sections 330 and 331 of the Bankruptcy Code, but without regard to whether such attorneys have been retained under section 327 of the Bankruptcy Code, and without regard to whether such attorneys' services satisfy section 330(a)(3)(C) of the Bankruptcy Code."

Retention Order, ¶ 4. In accordance with the Retention Order, **Exhibit A** includes the invoices and supporting time records for Grant Thornton's outside legal counsel that constitute the reasonable and necessary actual, documented out-of-pocket costs, fees, disbursements, and other charges incurred by Grant Thornton in connection with utilizing such external legal counsel.

12. Attached as **Exhibit B** are invoices for the total amount of reasonable compensation for actual, necessary OCB Tax Services that Grant Thornton incurred covering the Fee Period. In light of Grant Thornton's retention in these bankruptcy cases by order entered April 28, 2021, out of an abundance of caution and for purposes of full disclosure, Grant Thornton is including this disclosure of outstanding amounts owed in the ordinary course of business for which payment has not yet been received relating to the OCB Tax Services.

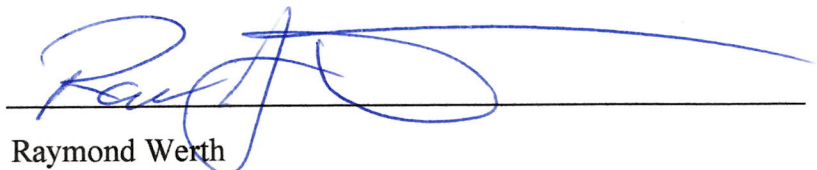
Notice

13. The Debtors will provide notice of this Twentieth MFS in accordance with the Interim Compensation Order. Grant Thornton submits that no other or further notice be given.

WHEREFORE, Grant Thornton, in connection with services rendered on behalf of the Debtors, respectfully requests compensation in the aggregate amount of \$60,256.80, composed of: (i) 100% of the actual, reasonable and necessary expenses for which Grant Thornton seeks reimbursement in the amount of \$2,462.30; plus (ii) 100% of the total amount of reasonable compensation in the amount of \$57,794.50 for actual, necessary OCB Tax Services that Grant Thornton incurred through April 30, 2023.

May 30, 2023
New York, NY

GRANT THORNTON LLP



Raymond Werth
Partner, Grant Thornton LLP
757 Third Ave., 9th Floor
New York, NY 10017
Telephone: (212) 599-0100

EXHIBIT A

SUMMARY OF OUT-OF-POCKET EXPENSES AND SUPPORTING INVOICES

<u>CATEGORY</u>	<u>AMOUNT</u>
External Legal Counsel (See Attached Supporting Invoices)	\$2,462.30
TOTAL	\$2,462.30



Sklar Kirsh, LLP
1880 Century Park East, Suite 300
Los Angeles, CA 90067
(310) 845-6416 MAIN
accounting@sklarkirsh.com
Tax I.D. 37-1711630

Grant Thornton, LLP
Attn: Chris Stathopoulos
171 N. Clark Street, Suite 200
Chicago, IL 60601
chris.stathopoulos@us.gt.com; Liz.Piechnik@us.gt.com

May 15, 2023

Invoice #56638

Due Upon Receipt

For Professional Services Rendered Through April 30, 2023

Matter: Purdue Pharma - Legal Services

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
04/03/2023	ASB	Finalized 18th Monthly Fee Statement for filing.	0.30	\$375.00	\$112.50
	KKF	Exchanged emails with A. Schwartz re: proposed timing of filing of 18th MFS in light of sale issues.	0.10	\$670.00	\$67.00
04/05/2023	KKF	Drafted emails to C. McDonald, P. Schwartzberg and T. Nobis re: LEDES and filing of 18th MFS 0.1). Drafted email to C. Stathopoulos, R. Werth and G. Barrenbaum re: status and timing for 18th MFS and 5th Interim Fee Application order, and anticipated dates for objections and payment (0.2).	0.30	\$670.00	\$201.00
04/11/2023	ASB	Assembled invoices for 19th Monthly Fee Statement (.2). Updated chart of all professionals' fee amounts (1.7).	1.90	\$375.00	\$712.50
04/24/2023	KKF	Exchanged emails with Purdue teams re: status and timing for 19th MFS.	0.20	\$670.00	\$134.00
04/27/2023	ASB	Prepared 19th Monthly Fee application.	1.60	\$375.00	\$600.00
	KKF	Exchanged correspondence with A. Xi, A. Bender and C. O'Connor re: status of invoices for 19th MFS (0.2). Drafted email to K. Somers and A. Schwartz re: confidentiality review of business advisory services (0.1). Reviewed and revised 19th MFS to send for final signature (0.5).	0.80	\$670.00	\$536.00
04/28/2023	KKF	Exchanged emails with A. Schwartz re: coordinating filing and service of 19th MFS.	0.10	\$670.00	\$67.00
For professional services rendered			5.3 hrs		\$2,430.00

Matter: Purdue Pharma - Expenses

<u>Date</u>	<u>Description</u>	<u>Amount</u>
03/31/2023	Pacer - Charges from 01/01/2023 - 03/31/2023	\$32.30
	Total Charges	\$32.30
SUBTOTAL		\$2,462.30

Grant Thornton LLP

May 15, 2023

Invoice # 56638

	Total amount of this bill	\$2,462.30
	Previous balance	\$8,331.00
05/11/2023	Payment - Thank you, Check # 001102657	(\$8,331.00)
	Total Payments and Adjustments	(\$8,331.00)
	Balance due upon receipt	\$2,462.30

Timekeeper Summary

Name	Initials	Title	Hours	Rate	Amount
Kelly K. Frazier	KKF	Of Counsel	1.50	\$670.00	\$1,005.00
Amy S. Bender	ASB	Paralegal	3.80	\$375.00	\$1,425.00

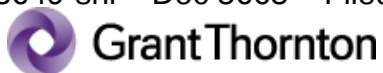
It is a pleasure working with you. We appreciate your business.

EXHIBIT B

INVOICES FOR OCB TAX SERVICES

The following is a summary of the invoices relating to OCB Tax Services for which Grant Thornton seeks reimbursement pursuant to the Twentieth MFS. Copies of the actual invoices also are attached.

GT Invoice No.	Amount	Invoice Date	Service Period	Type of OCB Tax Services
954146091	\$7,683.00	5/12/2023	March 2023 Compliance processed in April 2023; Review of February's invoices filed with March's returns due in April 2023	Sales and Use Tax Compliance Services
954151561	\$47,170.00	5/19/2023	Tax Compliance Services for the year ended December 31, 2022	2022 Tax Compliance Services
954160440	\$2,941.50	5/31/2023	Tax advisory, research, compliance and consulting services for April 2023	Global Mobility Services
TOTAL	\$57,794.50			



Grant Thornton LLP
186 Wood Ave S # 4
Iselin, NJ 08830-2725

T 732.516.5500
F 732.516.5502
www.GrantThornton.com

This address should be used for correspondence only
For all payments, kindly use remittance instructions below

To: Purdue Pharma L.P.
201 Tresser Boulevard
Stamford, CT 06901-3431

Date: May 12, 2023

Bill Number: 954146091

Client-Assignment Code: 0200102-00016

Sales & Use Tax Compliance & Invoice Review March 2023 Compliance
processed in April 2023:

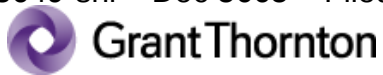
COMPLIANCE TOTAL: \$ 2,000.00

Review of February Invoices filed with March returns due in April 2023 (filed on
a one-month lag), notices & consulting:

INVOICE REVIEW & CONSULTING TOTAL: 5,683.00

Total Amount of Bill: \$ 7,683.00

Terms: As agreed upon
Federal ID No. 36-6055558



Grant Thornton LLP
757 3rd Avenue #9
New York, NY 10017-2013

T 212.599.0100
F 212.370.4520
www.GrantThornton.com

This address should be used for correspondence only
For all payments, kindly use remittance instructions below

To: Purdue Pharma L.P.
201 Tresser Boulevard
Stamford, CT 06901-3431

Date: May 19, 2023

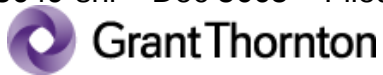
Bill Number: 954151561

Client-Assignment Code: 0200102-00026

Invoice for tax compliance services for the year ended December 31, 2022, as per the Statement of Work signed December 12, 2022.	\$	44,500.00
Expenses, including a 6% administrative charge.		2,670.00

Total Amount of Bill:	\$	47,170.00
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Terms: As agreed upon
Federal ID No. 36-6055558



Grant Thornton LLP
1100 Peachtree Street
Suite 1400
Atlanta, GA 30309

T 404.330.2000
F 404.475.0107
www.GrantThornton.com

This address should be used for correspondence only
For all payments, kindly use remittance instructions below

To: Purdue Pharma L.P.
201 Tresser Boulevard
Stamford, CT 06901-3431

Date: May 31, 2023

Bill Number: 954160440

Client-Assignment Code: 0200102-00021

Client-Assignment Code: 0200102-00022

Client-Assignment Code: 0200102-00029

Client-Assignment Code: 0200102-00028

For professional services rendered. See attached billing detail. \$ 2,941.50

Total Amount of Bill: \$ 2,941.50

Terms: As agreed upon
Federal ID No. 36-6055558